

2006 PARTNERSHIP AGREEMENT BETWEEN UAW INTERNATIONAL UNION, AUTOMOTIVE COMPONENTS HOLDINGS, LLC, AND IOSHA

Identification of the Partners: The partners to this agreement include the Indiana Department of Labor the Indiana Occupational Safety and Health Division (IOSHA); the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW); and Automotive Components Holdings, LLC (ACH-LLC).

Commitment: The leadership of IOSHA, the UAW, and ACH-LLC through a common vision are committed to providing ACH-LLC employees a healthful and safe work place and to demonstrate leadership, responsibility and accountability in furthering worker health and safety.

Goals: To reduce injuries and illnesses year-over-year from baseline IOSHA log summary data at each ACH-LLC location through the creation of a pro-active health and safety culture and a cooperative non-adversarial relationship that optimizes the resources of all parties. Where:

1. Worker health and safety is designed into facilities, equipment, and processes.
2. Facilities, equipment, and processes receive the maintenance needed to keep them operating in a healthy and safe manner.
3. Health and safety is led by management and owned by everyone.
4. Management and workers promote health and safety in the workplace.
5. Management and workers are responsible and accountable for their actions relative to health and safety in the workplace in a fair and consistent manner.
6. Progress toward achieving these goals is verified.

Roles and Responsibilities: A steering committee will be designated consisting of members from ACH-LLC, the UAW, and IOSHA. IOSHA steering committee representatives will consist of representatives from the Indiana Department of Labor IOSHA managers and staff. The purpose of the steering committee will be to develop an implementation plan, review data and reports, and to meet as appropriate to resolve any issues that arise during the course of this partnership. The steering committee will also be involved in the coordination of site visits and monitoring inspections. From time to time, representatives from OSHA may participate in the meetings to help assure consistency with the UAW/ACH-LLC federal OSHA partnership.

Objective: The partners agree to construct a partnership based on mutual respect and trust that leverages the resources of all the parties through the systematic anticipation, identification, evaluation and control of health and safety hazards at ACH-LLC locations in Indiana (see Appendix) thereby continuously reducing worker injury and illnesses.

Safety and Health Program: ACH-LLC has had a formal safety and health program employing health and safety professionals at the Operations and Corporate levels for more than sixty years. The ACH-LLC Safety and Health Program includes all the elements detailed in "OSHA's Safety and Health Management Guidelines" dated January 26, 1989. There have been formal commitment statements from management and the UAW leadership in every collective bargaining agreement (CBA) from the very first CBA to the present. Since 1973, health and safety has been a joint process at ACH-LLC that has been enhanced in every CBA. Employee awareness and involvement are the cornerstones of health and safety at ACH-LLC. The UAW and ACH-LLC leadership recognize the need to continuously improve in health and safety efforts.

Worksite Measurement System: The metrics to assess the progress of this agreement at the worksite will use the following:

- Previous three years and current year's IOSHA log and total hours worked by site,
- Most recent NJCHS SHARP audit report and corrective actions,
- IOSHA inspections, and
- Follow up actions to the previous IOSHA Day Report

Employee Awareness and Involvement: Employee awareness and involvement will be facilitated through the contractual processes developed by ACH-LLC and the UAW. These include the National Joint Committee on Health and Safety (NJCHS); Unit UAW Health and Safety Representatives; Local Ergonomics Committees; Plant Safety Process Review Boards, and local Area Safety Teams; Plant Noise and Hearing Conservation Committees; and Division Incident Investigation and Review Boards. The parties also agree to consider other processes as needs present themselves.

Stakeholder Involvement: This agreement has been developed by the IOSHA leadership, UAW leadership, and ACH-LLC corporate, operations management

Incentives: Incentives will include inspection protocols (focused inspections) and the diminished probability of wall-to-wall inspections under IOSHA targeting programs. The inspection protocols will result in shorter more focused inspections. In addition, provided the ACH-LLC facility is following the ACH-LLC program and joint process, IOSHA agrees to maximum penalty reductions based on the agency's policies for good-faith reductions for effective safety and health programs. For IOSHA, this partnership will demonstrate proactive measures in providing safety and health workplace strategies. Further, IOSHA should also benefit from leading edge technologies, health and safety research, and the identification of emerging issues generated at ACH-LLC. ACH-LLC can also be used as a pilot for IOSHA to spread this concept to other companies. Finally, all parties should benefit from positive jointly developed information relative to the partnership and whenever health and safety problems are identified and resolved.

Rights of the Parties and Employees: The provisions of this agreement identified herein, shall not modify any legal or contractual rights and remedies.

Knowledge and Technology Transfer: The International Union, UAW and ACH-LLC have jointly conducted health and safety research with the National Institute for Occupational Safety and Health (NIOSH) and have shared the research results with OSHA. Representatives of the UAW and ACH-LLC have also participated on IOSHA committees and at conferences on general safety and health topics and on specific topics such as ergonomics, metal working fluids, and safety and health programs. This agreement will continue these actions and expand others—such as alerts on new health and safety issues noted at ACH-LLC locations. It is also expected that arrangements may be made to include IOSHA representatives, as appropriate, as participants in UAW/ACH-LLC NJCHS health and safety conferences. ACH-LLC may also be asked to review and or pilot applicable proposed IOSHA safety and health standards/guidelines and provide an evaluation to the IOSHA standards commissions which, among other things, assesses the cost benefit of utilizing the proposed IOSHA standards/guidelines.

IOSHA Inspections: IOSHA inspections to investigate employee complaints, serious injuries or fatalities, and National or State emphasis programs are not precluded by this agreement. ACH-LLC worksites selected for General Schedule inspections from the IOSHA Inspection Targeting List will receive a focused inspection. The focused inspection will utilize an evaluation of the inspection protocols listed in the agreement. ACH-LLC agrees to facilitate the inspection process by providing IOSHA staff access to the worksite injury and illness reports related to the protocols. The IOSHA compliance officer will review the record keeping information, conduct a walk through inspection, and interview workers in accordance with IOSHA inspection procedures. When initiating unprogrammed inspections or investigations, protocols will be used when applicable.

Inspection Protocols: Inspection protocols will be based on the IOSHA Inspection Scheduling Program as applicable at the location selected for inspection. In general, the protocol will include an investigation of hazards or issues covered under Joint Programs developed by the NJCHS. These include:

1. Ergonomics
2. Energy Control and Power Lock Out (ECPL)
3. Confined Space Entry
4. Hearing Conservation and Noise Control
5. Lifting and Rigging (LAR)
6. Machine/Equipment Guarding
7. Heat Stress
8. Personal Protective Equipment (PPE)
9. Chemical Safety Training (Hazard Communication)
10. Powered Material Handling Vehicles (PMHV)
11. Maintenance Vehicles
12. Working at Heights (WAH)
13. Electrical Safety
14. Emergency Preparedness

Also included in the protocols will be a review of local health and safety programs and the resolution of hazards, issues, and concerns identified during local internal health and safety audits. Protocols will be periodically reviewed and modified by mutual agreement, as appropriate.

Verification: Verification of health and safety progress is a multi-step process that will include:

- Data collection and analyses
- A Corporate Annual Report
- IOSHA Day meetings

Data Collection and Analyses: The EX3 system will be used for an annual Corporate review with IOSHA of ACH-LLC U.S. Company-wide trends and at individual locations to identify local injury and illness trends.

Corporate Annual Report: A Corporate annual report will be developed and presented at an annual meeting between the parties. The report will address trends noted in data collection and a summary of common issues identified during IOSHA Days. The annual report will include an overview of the partnership activities. In addition, the report will include a review of strategies for improvement to the partnership.

IOSHA Day Meetings: Each ACH-LLC location covered by this agreement (see Appendix) will conduct an IOSHA Day meeting where the IOSHA representatives will be invited to the location and briefed by the Plant Manager, the Union Chairperson and their leadership team. The briefing will include a review of the injury and

illness experience for the past year and any developing trends as compiled by EX3. The briefing will also include a review of the results of the continuous internal comprehensive inspections conducted by the Plant Safety Engineer and the Unit Health and Safety Representative and the corrective actions taken. This meeting will include a discussion on key protocol(s) that offer opportunities for improvement in the site's health and safety performance. IOSHA will provide a written IOSHA day report in a timely manner. ACH-LLC and the UAW shall provide the IOSHA representatives with the most recent NJCHS SHARP report and the corrective actions taken. It is understood that the SHARP report includes a review of ACH-LLC contractor safety and health programs. The written materials from IOSHA Day meetings will be given to the IOSHA representative for analysis.

Informal Walk-Through: IOSHA will be afforded the opportunity to conduct an informal walk-through of the facility on the IOSHA Day. In general, items identified by ACH-LLC and UAW or IOSHA will be abated immediately, where practical, and will not result in IOSHA citations.

Monitoring: IOSHA may return at a later date for up to a two-day informal/monitoring visit of up to 33 percent of the worksites. The purpose of the monitoring visit is to verify that the information presented in the IOSHA Day briefing is an accurate portrayal of what is occurring within the facility. Other than serious conditions that are identified in the course of the monitoring visit will be abated immediately, where practicable, and will not result in IOSHA citations. Should serious conditions be identified, they will be abated immediately where practicable and IOSHA will not be prohibited from issuing citations.

Focused Inspection: A focused inspection can result from the expansion of a monitoring visit, an IOSHA programmed inspection or an unprogrammed inspection when there is an applicable protocol. The plant will be afforded an opportunity to conduct an IOSHA Day presentation during the focused inspection. This presentation may occur if the plant has not participated in an IOSHA Day within the last two years. Other than serious conditions that are identified in the course of the focused inspection will be abated immediately, where practicable, and will not result in IOSHA citations. Should serious conditions be identified, they will be abated immediately where practicable and IOSHA will not be prohibited from issuing citations. The focused inspection could be expanded to a traditional inspection with the approval of the Deputy Commissioner of IOSHA .

The Deputy Commissioner of IOHSA will be notified when a monitoring visit is being conducted. The IOSHA members of the steering committee will coordinate the monitoring visits. Monitoring visits will be based upon the availability of IOSHA resources.

It is understood that items maintained in corrective action files will be prioritized for action with timing milestones as determined by good health and safety practice and by joint agreement of ACH-LLC and UAW-ACH-LLC Health and Safety professionals. If these tenets are adhered to, IOSHA will not use the corrective action files as justification for willful violations.

Other: SHARP is an ongoing management system that monitors health and safety. A presentation on SHARP together with the SHARP manual will be given to IOSHA Representatives. However, ACH-LLC and UAW solely reserve the right to modify SHARP.

Initiation and Termination of Agreement: The partnership agreement is effective on the date of signing and will be in effect until midnight November 10, 2009. After year three of the agreement, the parties will have an option to extend the agreement. Without regard to the three-year term, any of the parties can terminate the agreement within ninety days after notification of the parties of a change in conditions or irreconcilable differences.

Covered Locations: This agreement covers all ACH-LLC worksites in Indiana, as indicated in the Appendix to this agreement.


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COMPONENTS HOLDINGS, LLC, AND IOSHA**

SIGNATURE PAGE

**FOR Automotive Components
Holdings, LLC**

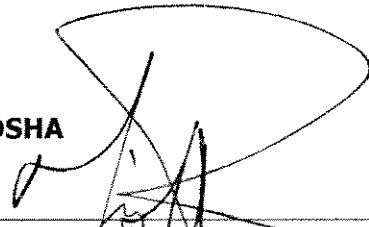


Al Ver
CEO & COO
Automotive Components Holdings, LLC

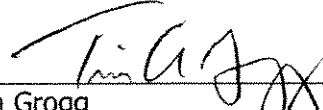


Chris Petersen
Ford Co-Chair
National Joint Committee
on Health and Safety

FOR IOSHA



Miguel R. Rivera, Sr.
Commissioner of Labor
Indiana Department of Labor



Tim Grogg
Deputy Commissioner of IOSHA

FOR UNITED AUTOMOBILE WORKERS



Charles Castle
UAW Co-Chair
National Joint Committee
on Health and Safety



Joe Gafa
Assistant Director
UAW National Ford Department

This agreement is dated Aug 23, '06 reflecting the last signature obtained.

APPENDIX ACH-LLC LOCATIONS

Indianapolis Plant

6900 English Avenue, Indianapolis, IN 46219-7416